(i) Intensity of opposition to the privatisation of Air India from various quarters including certain sections of political groups, trade unions and the media;

(ii) Slowdown of the world economy affecting the international airline business; and

(iii) SIA's investments in Australasia demanding more attention and requiring commitment of substantial financial resources.

(b) Each of the disinvestment transactions is undertaken through a transparent process and the Agreements are finalised based on the comments/ concerns of the bidders. Thus, no precautionary measures are warranted in case any party/ parties withdraw for their internal reasons.

Financial Crisis in the North-Eastern States

1. DR. MANMOHAN SINGH:
SHRI W. ANGOU SINGH:

Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) whether Government are aware of the fact that the States of North-Eastern Region are now facing financial crisis and are not able to pay the employees' salaries even;

(b) if so, the different measures taken by Government to meet the present financial crisis in the North-Eastern States; and

(c) the existing financial position of each State of North-Eastern Region?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE): (a) to (c) Among the North Eastern States, the financial position of Assam and Manipur in particular is extremely difficult. The State Government of Assam and Manipur have been facing frequent was and means problems and their payments are suspended frequently by the RBI, in accordance with the Overdraft Regulation Scheme. This is mainly because of their inability to tap additional resources and reduce non-plan expenditure.

The financial management of States including the payment of salaries to their employees is primarily the responsibility of the concerned State Governments, who are expected to take the measures from time to time to

improve their financial status. However, the Union Government through a combination of feasible measures help the States to overcome their temporarily cash imbalances and overdraft with the RBI to the extent possible. Pursuant to the recommendations of the Eleventh Finance Commission, a scheme for the States Fiscal Reforms Facility has been drawn. Under this scheme, the States have been encouraged to prepare a monitorable Fiscal Reforms Programme aimed at improving their financial position in the medium term. Government of India have reached agreement with Nagaland and Arunachal Pradesh on such a Medium Term Fiscal Reforms Framework and are consequently in an advanced stage of discussion with these states for the finalization of a Memorandum of Understanding (MOU).

Integrated Development Plan formulated for NER

2. DR. ARUN KUMAR SARMA: Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) the details of integrated development plan formulated for North Eastern Region during the Ninth Plan;

(b) the amount allocated, utilized and achievements made, so far, year-wise;

(c) the details of investment proposed for development of tourism infrastructure during the Ninth Plan in the NER; and

(d) the details of programmes being executed for manpower development in the tourism sector of the region, including training of tourist guides?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE): (a) No, sir. There is no such plan *i.e.* "integrated development plan" formulated for the North Eastern Region during the Ninth Plan.

(b) Does not arise.

(c) Agreed outlay for development of tourism including tourism infrastructure during the Ninth Plan in the NER is as follows: